

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672

1192 SCOMM 36: HOUSE SPEC. COMMITTEE ON FISHERIES 1983-84

judged to make sure these problem which have been discussed are met.

Number 0525

Chairman Herrmann stated that it is already defined in the bill who would qualify to receive a transfer.

Number 0529

Rep. Goll stated that he had a few proposed amendments that he would like to discuss with the sponsor, the FRED Division and a few of the aquaculture association, before proposing them to the committee for consideration.

Number 0534

Chairman Herrmann stated that she would like to move HB 393 out of committee and onto the legislative process. She said both Representatives Goll and Bussell were on the Resources Committee, which is the next referral and any changes that Rep. Goll would like to make, could be proposed then.

Number 0538

Rep. Goll stated that he would prefer proposing the amendments in the Fisheries Committee but if forced to he would offer them in the Resources Committee.

Rep. Goll said that the regional associations were happy with the state running the hatcheries and didn't feel they could run them any cheaper then what was presently being spent by the state. The regional associations indicated that only if the state was going to close the hatcheries down, did they wish to take them over. He further stated that if the state was compelled to not fund the program adequately, that the state at least eliminate those projects that are least cost effective and upon which the public is least dependent, or at least develop criteria so that the future can be guided by something other than politics.

Number 0572

Chairman Herrmann thanked Rep. Goll for his testimony and called for an at ease.

Number 0582

Chairman Herrmann called the meeting back to order and announced that CSHB 393 was on the table with the following amendment:

Page 2, Line 10: "(5) East Creek hatchery"

Number 0586

Rep. Goll offered the following Amendment

No. 1:

Amend Sec. 16.10.435

Page 1, Line 21: change "regional associations" to "regional aquaculture associations"

Number 0595

Rep. Grussendorf stated that in the statutes, "regional associations" do mean "regional aquaculture associations".

Number 0596

Rep. Goll proposed Amendment No. 2:

Amend Sec. 16.10.435:

Page 1, Line 24: to add another qualification:

"(3) comply with the permitting requirements of AS 16.10.400-470."

Number 0604

Rep. Goll was going to propose additional changes to be included in this amendment, but after committee discussion it was decided to take one at a time. Rep. Goll moved and asked unanimous consent to adopt proposed Amendment No. 2.

Number 0623

Rep. McBride asked a question regarding this amendment; didn't the (1) qualification take care of the permitting requirements?

Tape #43

Recording

Number 0001

Mel Monsen explained the operational permit statutes would still have to be applied to someone that leased the hatchery even if they weren't included in the bill as one of the requirements. Having it included as one of the requirements just makes it clearer.

Number 0015

No objections, Amendment No. 2 was adopted by unanimous consent.

Number 0018

Rep. Goll proposed Amendment No. 3:

Page 1, Line 20: Delete "shall" insert "may"

Rep. Goll moved and asked unanimous consent that proposed Amendment No. 3 be adopted.

Number 0023

There were objections and the motion failed.

Number 0025

Rep. Goll proposed Amendment No. 4:

Page 1, Line 24: Amend to read:

"(b) A lease to operate a state-owned salmon hatchery shall provide that the lessee shall be responsible for the operation of the hatchery in compliance with AS 16.10.420, the maintenance and upkeep of the hatchery, and shall indemnify the state against liability for harm or loss arising from the operation of the hatchery during the period of the lease".

He explained that this would require that the property be maintained. Rep. Goll moved and asked unanimous consent for adoption of Amendment No. 4.

Number 0045

No objections, Amendment No. 4 was adopted.

Number 0059

Rep. Goll proposed Amendment N 5:

Page 2, Lines 3-9: Amend to read:

"Sec. 16.10.436. TRANSFER OF HATCHERY OPERATIONS. The legislature will develop criteria for these transfers of state-owned hatcheries."

Number 0081

Rep. Grussendorf objected with reason being that it would not conform with the present budget being worked on.

Number 0087

Rep. McBride asked Rep. Goll if he would feel more comfortable with saying; "The FRED Division shall develop criteria", instead of "The Legislature shall develop criteria".

Number 0093

There was discussion between Rep. McBride and Rep. Goll; after which Rep. Goll resubmitted amendment to Amendment No. 5:

"Sec. 16.10.436. TRANSFER OF HATCHERY OPERATIONS. The Legislature in cooperation with the Fisheries Rehabilitation Enhancement and Development Division of the Department of Fish and Game shall develop criteria for the lease transfer of state-owned hatcheries."

Number 0116

There were objections and the motion failed.

Number 0123

Rep. Grussendorf moved that CSHB 393 as amended be passed out of committee with individual recommendations.

Number 0125

Rep. Goll objected and stated he would like to propose one more amendment:

Proposed Amendment No. 6:

Page 2, Line 9: Delete "(4) the Klawock hatchery."

He explained that the state would not be able to find a taker for the transfer.

Number 0140

Rep. Grussendorf said that if there are no takers for any of the hatcheries listed, a supplemental appropriation would then be granted to operational funding.

Number 0143

Rep. Goll withdrew his last proposed Amendment No. 6.

Number 0145

No further objections, CSHB 393 as amended was passed out of committee with individual recommendations.

Number 0151

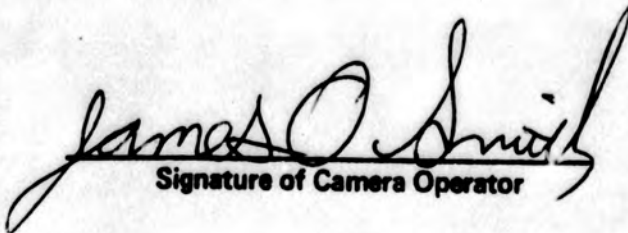
Chairman Herrmann announced the committee schedule for next week and adjourned the meeting at 5:44 p.m.



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

SCOMM

#36:14

IDENTIFICATION	BILL NAME An Act relating to leases for shore fisheries development.		BILL NUMBER HB 419
	SPONSOR(S) Rep. Ward		DATE INTRODUCED 5/17/83
			RELATED BILLS PENDING
			REFERRALS Resources
INITIAL RESEARCH	INITIAL SUMMARY COMPLETED	LEGAL DIVISION SUMMARY	
	SPONSOR CONTACTED FOR BACKUP MATERIALS	DEPT OF LAW SUMMARY	
		FISCAL NOTE	
	AGENCY RESPONSE	OTHER INTERESTED LEGISLATORS NOTIFIED	
BACKGROUND RESEARCH	SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES		OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, ETC
	RESPONSES FROM INTERESTED PERSONS AND/OR GROUPS		
HEARING PREPARATION	CHAIRMAN BRIEFED	DATE & PLACE SET	
	STAFF MEMO TO COMMITTEE	TELECONFERENCE	
	BACKGROUND MATERIAL DISTRIBUTED	PSA/PRESS RELEASE	
	LIST OF WITNESSES	SUGGESTED AMENDMENTS/CS DRAFTED	

COMMITTEE REPORT

HOUSE

RESOURCES

FURTHER:

(7)

5/17/83

Date: _____

Mr. Speaker:

The Committee on HOUSE SPECIAL COMMITTEE
ON FISHERIES has had HB 419

"An Act relating to leases for shore fisheries development."

under consideration and reports it back as follows:

- ☐ do pass ☐ do not pass
- ☐ do pass with attached amendments(s)
- ☐ replace with CS for _____ ☐ same title
☐ new title
- and recommends _____
- ☐ AND attaches a "Letter of Intent" ☐ New Fiscal Note
- ☐ reports it back without recommendation ☐ Zero Fiscal Note Attached
- ☐ referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

glein
13-1381

Introduced: 5/17/83
Referred: House Special
Committee on Fisheries and
Resources

1 IN THE HOUSE

BY WARD

2 HOUSE BILL NO. 419

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to leases for shore fisheries devel-
7 opment."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 38.05.082(b) is amended to read:

10 (b) The director may classify land [LANDS] as subject to leases
11 for fisheries development, and publicly invite applications for lease
12 of the selected areas. Each application shall be accompanied by an
13 affidavit to the effect that the applicant is a resident and presently
14 intends to personally utilize the leased area for fishing purposes the
15 following season. If two or more applications are received for the
16 same shore area, the director shall award the lease to the most quali-
17 fied applicant. In determining the qualifications of applicants, the
18 director shall consider the length of time during which the applicant
19 has been engaged in set netting, the proximity of the [HIS] past
20 fishing sites of the applicant to the land to be leased, the [HIS]
21 present ability of the applicant to utilize the location to its maxi-
22 mum potential, and other factors relevant to the equitable assignment
23 of the disputed area. If the director cannot determine a preference
24 between conflicting applicants for the same lease site on the basis of
25 qualifications, the director [HE] shall select between the applicants
26 by lot. An aggrieved applicant may appeal to the commissioner within
27 five days for a review of the director's determination.

28 * Sec. 2. AS 38.05.082(d) is amended to read:

29 (d) Subleasing and renewals of leases are governed by

1 AS 38.05.095 and 38.05.102, except that a lease under this section may
2 be transferred only to a resident [SECS. 95 - 100 OF THIS CHAPTER].
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ALASKA STATE LEGISLATURE

13th Legislature FIRST Session

HOUSE BILL NO. 419

By WARD

"An Act relating to leases for
shore fisheries development."

Leases/shore fisheries development

Introduced in the House 5/17. 1983

HISTORY IN THE HOUSE

19	83																													
May	17	Read first time and referred to Committee on House Special Committee on Fisheries and Resources Reported back with recommendation that																												
		Read second time and																												
		Read third time and																												
		<table border="0"><tr><td>PASS</td><td>Effective Date</td></tr><tr><td>Yeas</td><td>Yeas</td></tr><tr><td>Nays</td><td>Nays</td></tr><tr><td>Absent</td><td>Absent</td></tr><tr><td>Excused</td><td>Excused</td></tr><tr><td colspan="2">Reconsideration</td></tr><tr><td>PASS</td><td>Effective Date</td></tr><tr><td>Yeas</td><td>Yeas</td></tr><tr><td>Nays</td><td>Nays</td></tr><tr><td>Absent</td><td>Absent</td></tr><tr><td>Excused</td><td>Excused</td></tr><tr><td colspan="2">Reported correctly engrossed</td></tr><tr><td colspan="2">Signed by Speaker</td></tr><tr><td colspan="2">Sent to Senate</td></tr></table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reported correctly engrossed		Signed by Speaker		Sent to Senate	
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CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

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SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	
	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor by Governor
	Filed with Lt. Governor
	Chapter No.

File



Alaska State Legislature House of Representatives

P.O. BOX 2716
ANCHORAGE, ALASKA 99510
(907) 276-4506

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4939

REPRESENTATIVE JERRY WARD
DISTRICT 13

MEMBER FINANCE COMMITTEE
CHAIRMAN OF SUBCOMMITTEE ON
COMMERCE & ECONOMIC DEVELOPMENT
CHAIRMAN OF SUBCOMMITTEE ON LABOR
MEMBER OF SUBCOMMITTEE ON STATE LOANS

MEMORANDUM

DATE: May 25, 1983

TO: Representative Adelaide Herrmann
Chairman, House Special Committee on Fisheries

FROM: Representative Jerry Ward *JW*

SUBJ: House Bill No. 419

I attach for your consideration an amendment to my bill, HB 419. The purpose of the amendment is to discourage use by non-residents of the site after the first season.

Attachment

Sponsor Amendment
HOUSE BILL NO. 419

Page 1, line 14

Delete "the following season."

Insert "the entire term of the lease."



RECORDS CERTIFICATION



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Signature of Camera Operator


Date

SCOMM

#36:15

IDENTIFICATION	BILL NAME <i>An act relating to the conversion of set net limited entry permits.</i>		BILL NUMBER <i>HB 481</i>
	SPONSOR(S) <i>By ZHAROFF</i>		DATE INTRODUCED <i>1/9/84</i>
			RELATED BILLS PENDING
			REFERRALS <i>Resources</i>
INITIAL RESEARCH	INITIAL SUMMARY COMPLETED	LEGAL DIVISION SUMMARY	
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COMMITTEE REPORT

HOUSE

RESOURCES

(7)

FURTHER:

1/9/84

Date: _____

Mr. Speaker:

HOUSE SPECIAL COMMITTEE ON FISHERIES

The Committee on _____ has had HB 481

"An Act relating to the conversion of set net limited entry permits."

under consideration and reports it back as follows:

- ☐ do pass ☐ do not pass
- ☐ do pass with attached amendments(s)
- ☐ replace with CS for _____ ☐ same title
☐ new title
- and recommends _____
- ☐ AND attaches a "Letter of Intent" ☐ New Fiscal Note
- ☐ reports it back without recommendation
- ☐ referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Introduced: 1/9/84
Referred: House Special Committee
on Fisheries and Resources

Heine
12-1571

IN THE HOUSE

BY ZHAROV

HOUSE BILL NO. 481

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the conversion of set net limited entry permits."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 16.43 is amended by adding a new section to read:

Sec. 16.43.185. CONVERSION OF SET NET PERMITS. The commission shall allow the conversion of a set net permit to a drift net permit within a single administrative area if the commercial fishing time available to a set net permit holder in that administrative area is reduced by 50 percent or more as a result of the adoption of a Board of Fisheries regulation that restricts the distance from shore in which set net gear may be used.

ALASKA STATE LEGISLATURE

13th... Legislature SECOND.. Session

HOUSE BILL..... NO. 481...

By ZHAROFF.....

"An Act relating to the conversion
of set net limited entry permits."

Set net permits

Introduced in the House 1/9....., 19....84

HISTORY IN THE HOUSE

19 84

Read first time and referred
to Committee on

House Special Committee
on Fisheries and Resources
Reported back with
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
Reported correctly engrossed	
Signed by Speaker	
Sent to Senate	

CHIEF CLERK OF THE HOUSE

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CC adopted by House
VOTE

CC adopted by Senate
VOTE

To enrolling
Reported correctly enrolled
Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 481
Title: related to the conversion of
set net limited entry permits
Sponsor: Zharoff
Requestor: H. Resources
Date of Request: _____

FISCAL DETAIL

Agency Affected: Dept. of Fish & Game
Program Category Affected: _____
Natural Resource Mat
BRU, Program or Subprogram(s) Affected: _____
Commercial Fisheries (Limited) Entry
Commission

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0		
CAPITAL	0	0	0	0		
REVENUE	0	.5	.5	.5		

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0		

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

NONE

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharman Haley
Division: Commercial Fisheries Entry Commission
Approved by Commissioner: [Signature]
Agency: Commercial Fisheries Entry Commission

Phone: 465-4081
Date: 1/18/84
Date: 1/19/84

Distribution (by Agency preparing fiscal note):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

12/1/83

FISCAL ANALYSIS OF HB 481

Assumptions: The Fiscal impact of HB 481 has been estimated only with respect to the Nushagak set net limitation proposal currently pending before the Board of Fish and Game. There are an estimated 30 set netters in the area. For purposes of these estimates, it is assumed that 15 of them would qualify for a drift permit, and 15 would request a hearing to determine their qualifications.

Program Summary: The most significant impact on the Commission of HB 481 is the administrative adjudications to determine whether the set netter qualifies under the legislation for a drift permit. Fifteen additional adjudications would to some degree slow the processing of the present adjudications caseload, but no additional positions or funding would be requested.

The additional burden on the Commission's licensing function would be negligible. The additional revenue from the higher renewal fees on 15 resident permits converted from set to drift would be \$525 per year.

**STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE**

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CAPITAL	0	0	0	0		
REVENUE	0	.5	.5	.5		

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GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0		

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

NONE

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharman Haley
 Division: Commercial Fisheries Entry Commission

Phone: 465-4081
 Date: 1/18/84

Approved by Commissioner: [Signature]
 Agency: Commercial Fisheries Entry Commission

Date: 1/19/84

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
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Introduced: 1/9/84
Referred: House Special Committee
on Fisheries and Resources

1 IN THE HOUSE

BY ZHAROFF

2 HOUSE BILL NO. 481

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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14 reduced by 50 percent or more as a result of the adoption of a Board
15 of Fisheries regulation that restricts the distance from shore in
16 which set net gear may be used.
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SOYT permit holders who fished the
Mukagak district stat. area in 1982.

268 total, including ✓

140 women

121 men

7 whose sex we were unable to determine
from name alone (our only way of
determining sex of permit holders)

A special subcommittee of the Nushagak Advisory Committee has proposed a substitute for the Harvey Samuelson proposal to the Board of Fish concerning the outside limit of set net operations in the Nushagak area. The substitute proposal and the minutes of meetings dealing with this subject are enclosed.

A xerox copy of a marine chart with Loran overprint shows the Loran line intersection mentioned in the substitute proposal.

NUSHAGAK SET NETTERS

Fishermen who fish sites on the upper Nushagak, along the Nushagak Point line and down the east shore to the intersection of Loran lines 32400 and 45510

1. Evon Zharoff
2. Clara Mae Wren Buck
3. Andy Benedetti
4. Douglas Cooper
5. Hazel Hall
6. Scott cooper
7. Anuska Petla
8. Wm. Wilson (new, will use site for 1st time in 1984)
9. Brent Baldwin
10. Stanley Baldwin
11. David Browne Jr.
12. David Browne Sr.
13. Larry Greer
14. William T. Schmidt
15. Gary Philpott
16. George Johnston
17. Bob Wade
18. Gerald Gladden
19. Phil McCrudden
20. Bill Eldridge
21. Mike Treech
22. Leon Braswell
23. Wayne Brost
24. Fred Zharoff Sr.
25. Fred Zharoff Jr.
26. Nancy Schmidt
27. Connie Eldridge
28. Ted Schmidt
29. Clarence Wren
30. Mae Wren
31. Wren grandchild, Susie ?
32. " " , name unknown
33. " " , name unknown

The total of 33 persons includes 8 women. This list was provided by two people who fish in the Nushagak area. It is not an official entry permit list.

Special Sub-Committee
Meeting on Set Net, Drift Net Conflicts
in Nushagak District
December 8, 1983

Meeting called to order 7:35 p.m.

Committee members present:

- | | |
|----------------------|---------------------------------------|
| 1. Clarence Wren | 5. Harold R. Samuelsen, Jr. ("Robin") |
| 2. Chris Oberholtzer | 6. Victor Sifsof |
| 3. Blanche Murphy | 7. Peter Heyano |
| 4. Lloyd F. O'Connor | 8. Amelia "Olson" Christensen |

Public present: 16 persons

Staff present: Jeff Skrade, Mike Nelson and Mac Minard, Div. of Comm. Fish.,
Ron Kmiecik, Public Safety, Fish and Wildlife Protection Div.

J. Skrade recorded the minutes and opened the meeting with a brief history of how the problem developed and how we got to this meeting.

Much open discussion followed by members of the committee and the audience.

Robert Heyano made some measurements of Ekuk set net pegs and offered them to the group.

At the request of the Advisory Committee, J. Skrade, the Secretary, made a telephone survey of set net fishermen on Ekuk Beach. 14 contacts were made, 11 people estimated their distances from the beach. The average of those people was 464 ft. per net (attached).

Clarence Wren read a letter from Dave Bouker addressed to this meeting concerning the set net, drift net issue (attached).

*Motion by Clarence Wren, 2nd by Robin Samuelsen, nominating Pat O'Connor to chair the meeting.

More discussion by the folks present: Joe Clark, Carl Plier, Robert Heyano, Clarence Wren, Dr. Libby, Floyd Murphy, Don Sagmoen, Henry Strub, John Bennett, Chris Oberholtzer, and all members of the sub-committee.

*It was the consensus of the group that different distances are needed for the different beach areas in Nushagak.

*Again, much discussion and testimony was offered and the following areas were defined and the noted distances were approved, as the new regulation would read:

* (i)(3) in the Nushagak district; no part of a set gill net, anchor, peg, stake, *drag* or other device used to fasten the net at its outermost extremity may be more than:

or mean low water which ever is less

- (A) 500 feet from the 18 foot high tide mark from the Clarks Point cannery dock to an Alaska Department of Fish and Game regulatory marker at first creek;

or

- (B) 700 feet from the 18 foot high tide mark from an Alaska Department of Fish and Game regulatory marker at first creek to an Alaska Department of Fish and Game regulatory marker at third creek;
- (C) 1000 feet from the 18 foot high tide mark from an Alaska Department of Fish and Game regulatory marker at third creek to an Alaska Department of Fish and Game regulatory marker at Etolin Point.

The sub-committee discussed the West side of Nushagak district and after some debate and testimony, decided that a gear conflict did not exist there, and suggested that the current regulations remain in effect. This would include the Igushik section, and the entire West side of the district.

The sub-committee all felt that there is a considerable gear conflict on the Combine Flats area, but could not agree on the best course of action.

A series of 3 options were discussed describing the location of where set nets should be placed:

1. From the low water mark (in) 400 ft. and remain stationary in that area peg to peg.
2. Status Quo - as the present system now exists.
3. 1000 ft. from the 18 foot high tide mark.

Robin Samuelson made a proposal and then withdrew it.

*Because no agreement could be reached and because no fishermen representing the Combine set netters were present, the sub-committee decided to hold another meeting on 12/12/83 at 1:00 p.m. to discuss the set net - drift net issue in regard to the Combine Flats area only.

Several committee members agreed to call as many folks as they could reach who fish on Combine/Nushagak area and get their input and advise them of the 12/12 meeting.

*Sub-committee voted on the proposals agreed upon earlier in regard to the area from Clarks Point cannery dock to Etolin Point, and the West side of Nushagak district. Vote: 6 in favor, 1 opposed, 1 abstain. Passed!

Meeting adjourned: 11:25 p.m.

Minutes read and approved:


Lloyd F. O'Connor, Chairman, Special
Sub-Committee

Date: 12/14/83

EKUK BEACH SET NET TELEPHONE POLL 12/5/83

Questions:

1. Did you actively set net this season? (1983). How long on this site?
2. How far from the beach do you normally run your net out (outside end)?
3. Do you plant a similar operation in 1984?
4. Location of site.

Contacts:

1. Emma Aaberg/yes/1957-/? don't know/same as 1983. No changes planned.
2. Dave Bouker/yes/3rd year at this site-(600 ft.). Tempted to go out further! Upper end Flounder Flats.
3. Paul Brannon/yes/several years/ ? ft.-on gravel spit-at high water only/upper 2/3 Flounder Flats.
4. Russ Burkhardt/yes/many years - 1930's/-at Bluff 300 ft. only-going out further!
5. Raymond Heyano/yes/4 yrs./roughly 600-700 ft./yes. (Upper) Flounder Flats.
6. Margaret Schroeder/yes/long time/400 ft./yes - Bluff.
7. Dr. Libby/yes/1960/700-800 ft./yes - upper 1/3 of Flounder Flats (Rootvik).
8. Blance Murphy - Committee member!!
9. Pat O'Connor/yes/many years/450 ft./yes same as 1983/Lower Bluff 3-4 sets below D. Larson.
10. Dorothy Larson/yes/many years/400 ft./same as 1983 (on Bluff) 1 mile below Bluff start) 2 sites above Dowie.
11. Roseanne Savo/yes/1980/400 ft./same as 1983. (Below cannery) Bluff.
12. Helene Sagmoen/yes/1976-77/400 ft. - move part gear further out/7 miles from cannery/upper Flounder Flats, 4th creek.
13. Joe Hiratsuka/yes/2nd year/? est. 400+ - /same/above 1st creek (Bluff).
14. Mary Backford/yes/many years/350 ft./other site at cannery/yes (Bluff (3)).

Left message for Moses Toyakuk (Manokotak), call never returned.

(11 contacts gave distances=average 464 ft. of those 11).

KOLG NEWS RELEASE

DATE: December 9, 1983

TO: KOLG Radio

From: Special Sub Committee on Salmon Gear Conflicts in the Hushagak District.

THERE WILL BE A PUBLIC MEETING AT 1:00 p.m. MONDAY, DECEMBER 12th, AT THE DILLINGHAM COURT BUILDING TO FURTHER DISCUSS SET NET AND DRIFT NET GEAR CONFLICTS IN THE COMBINE FLATS AREA. THE RESULTS OF THIS MEETING WILL BE PRESENTED TO THE DISTRICT BOARD OF FISHERIES PUBLIC HEARING AT THE SEEDER HOUSES BUILDING ON MONDAY, DECEMBER 13th, ALONG WITH OTHER PROPOSALS CONCERNING SET NET DISTANCES IN THIS DISTRICT.

THE MEETING ON MONDAY AFTERNOON AT THE COURT BUILDING IS AN ATTEMPT BY BOTH GEAR TYPES TO REACH A CONSENSUS OF OPINION ON HOW TO SOLVE THE CONFLICTS THAT NOW EXIST. THIS IS YOUR CHANCE AS FISHERMEN TO HELP SHAPE THE DIRECTION OF YOUR FISHERY. ALL RESIDENTS WHO FISH THE COMBINE AREA ARE INVITED TO ATTEND AND PARTICIPATE.

Please air until 1:00 p.m. Monday, December 12th.

Thank you.

Special Sub-Committee Meeting #2
on Set Net, Drift Net Conflicts in
Nushagak District

December 12, 1983

1:10 p.m. Meeting called to order by Chairman Pat O'Connor.

Committee Members Present:

Blanche Murphy
Pat O'Connor
Amelia "Olson" Christensen
Victor Sifsof

Peter Heyano
Harold R. Samuelsen, Jr.
Henry Strub
Chris Oberholtzer

Doug Cooper (for Clarence
Wren)

Open discussion on minutes of last meeting of 12/8/83:

Vote 7 in favor, 2 abstain to amend last meeting minutes to add (or mean ^{low} ~~high~~ water whichever is less) on section (A) page one under (1)(3).

Open discussion regarding Combine/Nushagak area conflicts:

Pat O'Connor got 13 phone calls to the effect that if they (set net) in the mid-Combine got restricted as to movement up and down the beach, they would be out of business.

Doug Cooper - Replacement for Clarence Wren - represents 7 set net sites officially and 30 unofficially. Bluff nets up to Nushagak-no real problem. 80% of the income is derived beyond 1,000 ft. beach is over 1 mile wide in some places.

Ted Schmidt-Eagle River-2nd creek (Pile Driver) to Queen Slough-effects very few. Suggested special S/N area or Department buoys to mark special area. Pile Driver Creek south could be 1,000 ft. and have little, if any, effect on permanent set nets.

*Robin Samuelsen-proposed that all set net skiffs be marked accordingly with S04 and CFEC permit number in contrasting color to back 6" high and 1" wide. 2nd B. Murphy. Vote unanimous in favor, 9-0. Passed.

Pat O'Connor-proposed set nets # be marked with 12" high, 1" wide in contrasting colors. (No 2nd, no action taken).

*Doug Cooper ^{the latter} moved to amend first proposal, 2nd by P. O'Connor to change skiff marking to ~~set nets~~ only on all set net vessels, 1 ft. high, 1" wide on each side of the vessel and in contrasting colors, in Nushagak district only. Vote 7 in favor, 2 against. Passed!

Doug Cooper proposed that the creek $\frac{1}{2}$ way down Combine to Clarks Pt. S/N may operate 1,000 ft. from 18 ft. high tide mark. (No action taken).

Val Angasan - stated that the State Board of Fisheries will have less input and info. than local committee if they (the locals) can't decide what to do, they they surely won't be happy with the Boards decision.

Special Sub-Committee Meeting #2 (continued)

Robin Samuelsen motion: That area from the inside marker on East shore of Mushagak district south to the T14S line that creek immediately north of the S/N may be fished to mean low water in the traditional method.

Then he reworded-

From that creek immediately north of the T14S line, to the Clarks Point cannery dock no part of any anchor, etc. S/N may be fished more than 1,000 ft. from the 18 ft. high tide mark. (No 2nd-motion died, no action taken).

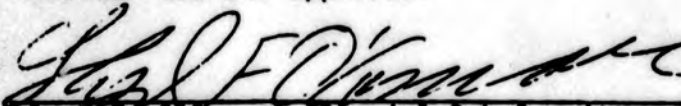
*Motion by Victor Sifsof - From that point where Loran line 32440 x 45510 intersects the beach, south to the cannery dock at Clarks Point no part of a set gill net, anchor, peg, stake, buoy or other device used to fasten the net at its outermost extremity may be more than 1,000 ft. from the 18 ft. high tide mark. 2nd Doug Cooper. Vote 6 in favor, 1 opposed, 2 abstain.

*Motion by Pat O'Conner-to add the word buoy to section (i)(3) in 12/8/83 minutes. 2nd by Amelia Christensen. Vote 9-0, passed.

*Motion by Robin Samuelsen. 2nd Victor Sifsof. That 5 AAC 06.335. Minimum Distance Between Units of Gear. (last sentence) to add (and the inshore end) of a set gill net. In regard to the legal area to drift near a set net. Vote 8 in favor, 1 abstain.

Meeting adjourned 4:45 p.m.

Minutes read and approved:



Lloyd P. O'Connor, Special Sub-Committee Chairman

Date: 12/16/83

**Nushagak Advisory Committee,
Board of Fisheries Public Hearing**

December 13, 1983

Board of Fisheries Members Present: Jesse Foster, Wayne Kvasnikoff, William "Doc" Nicholson, Bix Bonney.

Roughly 85 persons from the public, but the audience varied throughout the session.

9:15 a.m. meeting called to order by Nushagak Advisory Committee Chairman, Leon C. Braswell.

Nushagak Advisory Committee Present: Leon C. Braswell, Robert Heyano, Jerry Liboff, Joe Chythlook, Don Sagmoen, Moses Toyukuk, Richard Armstrong and Joe Clark.

Staff Present: Jeffrey R. Skrade, Michael L. Nelson, Wesley A. Bucher, R. E. Minard of Commercial Fisheries and Lt. Phil Gilson, Sgt. Curt Youngren, and Officer Joe Campbell, Fish and Wildlife Protection.

Public Testimony:

Ted Schmidt - Set netter from Combine Flats - came for sub-committee meeting to compromise on set net - drift net problems in Nushagak district. Supports the decisions of that sub-committee group. Wants a final decision so they can plan their operations now and in the future.

Verbal summary of sub-committee meetings by Jeffrey R. Skrade. (Minutes attached)

Doug Cooper, set netter - testified re set net distances from shore in Nushagak district - favor sub-committee proposal.

Bix Bonney (Boards) - will this be submitted in final form?

Gary Philpott - this proposal sub-committee limits expansion of the set net area on Combine.

Jerry Liboff - we may possibly want to light set nets to avoid conflicts with boats.

Joe McGill/Val Angasan, Bristol Bay Herring Management Coop. - request the Boards support an amendment of the herring management plan. Gill nets average 20 ton/vessel (1983) - under present plan after 2 years. They want to lessen the disadvantage of gill nets. Emergency order openings are shorter and shorter. 4 periods/year maximum. 5 AAC 39.200 states: to protect, sustained yield, and equitable distribution of resources. Request 6 times the time of purse seines. Consider in the future exclusive registration and limited entry. There was a Bristol Bay Native Convention/Resolution to Board of Fisheries and Nushagak Advisory Committee re equitable distribution. They distributed a written history of Togiak herring since the 1977 expansion (copy included).

12/13/83 (continued)

They estimate the number of gill net participants at 170 boats x 3 persons aboard. Japanese Joint Venture Co. paid out over \$1.47 million to fishermen. 3rd year Joint Venture. A "shotgun fishery" is what Togiak has become.

Larry Fayko - New Stuyahok - need more gill net time for them to survive in this herring fishery.

Jim Ingram - local purse seiner - suggests gill net efficiency is improving and could be further improved to increase their take of the harvest with tender support. Local economy-not benefitted by Japanese domestic industry. Roe fishery-no control on quality. Spotters for gill netters. Estimated 25 local purse seiners, including Dillingham/Naknek, etc.

Wayne Kvasnikoff (Boards) - black cod allocation - decreased to the Japanese longliners - they used it (the herring/Joint Venture) as a lever tool to protect their cod allocation with the North Pacific Council.

Limited Entry question re - Togiak herring, people need to explore this with the Alaska Department of Fish and Game staff.

Chuck Mayer - Bristol Bay Herring Marketing Coop - some inefficiency (delivery) problems - but pumps reduce the quality greatly. In their operation, 5% and below went for food fish.

11:30 a.m. - Broke for lunch.

1:05 p.m. - Back to order:

Chuck Mayer - questions continue. 4 gill net deliveries in 12 hr. period with his boat maximum during the 1st period, 3 deliveries in 12 hr. rest of periods. 15 ships planned in 1984, 10-12 fishermen/ship. Use brailers to offload. Some have tried chutes to utilize their forward holds.

Peter Christopher - from New Stuyahok, a herring gill netter - coop member. Gear conflict problems in 1983 - tenders fouled in gill nets. Advocated a later purse seine opening time to avoid conflicts.

William "Doc" Nicholson (Boards) - saw conflicts himself and plans to take a stand on this at Board of Fisheries meeting in February. Suggested purse seine locals organize into a group as the gill netters have done.

Gust Wahl - herring purse seiner - delivered only 20 tons since 1979. Conflicts between gear should not exist. High seas fishery pushing to take and surplus if we don't and we shouldn't fight among ourselves.

Henry Pavian - Togiak - testimony in Yupik re permit system and Alaska Department of Fish and Game number for kelping and was confused. Concerned about economics of the kelpers and disturbance of the fish by the fleet.

Robert Drew - wants salmon set netters to fish 6 hours prior to drifters. Presented a petition re this issue (enclosed).

12/13/83 (continued)

Paul Hansen - Bristol Bay Herring Marketing Coop. - cited user group problems. Management Plan favors purse seines and causes fishermen against fishermen. Plans Board intent to manage Togiak as a sac roe fishery-doesn't apply to gill nets.

Robin Samuelson - supports exclusive registration. Gill netters go first on openings option used one time in the fishery. Don't know why we don't do it more often? Try a test fishery and see how they do?

Victor Sifsof - has problem finding markets with "present" system of allocation. Gill netters use only the sterns of boats and need faster delivery (pumps), etc. Gill netters only fish 60% of the area (grounds) at this time. Need to meet and discuss the issue with gill netters/purse seiners present. Gill netter gains include 3 x time, 2 x the price for same fish, local advisory committee are pressured by Bristol Bay Herring Marketing Coop.

Andy Golia - Bristol Bay Herring Marketing Coop - present management system (allocation) is not working. Purse seines more efficient and gill nets need extra help.

Bix Bonney (Boards) - what would result if you had more time and 150 fathoms/boat?

Andy Golia (cont.) - with 2-5/8" mesh he got 2-4% better recovery than 2 1/2" mesh in 1983 season.

Ray O'Neil - wants a quota system for gill netters and purse seiners. Cited San Francisco example.

Stan Small - Bristol Bay Herring Marketing Coop - good cooperation with Fish and Wildlife Protection re nets recovered. Estimated in heavy fishing he got 10,000 lbs./shackle in his gear.

Gust Wahl - opposed to Bristol Bay Herring Marketing Coop. proposal. 20% time lost to seiners now due to patching and rips. Stated 'pumps aren't bad on fish as indicated earlier.'

Chuck Mayer - Togiak set up as a sac roe fishery. Most fish at optimum stage to be at top value.

Val Angasan - Staff comments - very negative on quota management-reason why Bristol Bay Herring Marketing Coop. asked for a time allocation.

Hjalmar Olson - wants to comment on proposal to double False Pass allocation and reduce 48 hr. period. Felt 48 hr. period working well now and shouldn't change. 32 ft. vessel limit - already decided 2 years ago - don't waste time on it. 5-3/8" mesh - is fine and should stay the same.

**Nushagak Advisory Committee,
Alaska Board of Fisheries Public Hearing
(Second Day)**

December 14, 1983

Advisory Committee Present: Don Sagmoen, Joe Chythlook, Moses Toyukuk, Robert Hayano, Dick Armstrong, Leon C. Braswell, Roland Moody, Joe Clark.

Board of Fisheries Present: Bix Bonney, Wayne Kvasnikoff, William "Doc" Nicholson, and Jesse Foster.

Public Testimony:

Mitch Kink, General Manager, Carl Helberg, President, and Ralph Angasan, Vice-President, testified as a group: Carl H: We (AIFMA) sent in proposals that weren't put on the February agenda. 3 years since open, mesh regulation-archaic-requested historically by packers to get a uniform size fish. AIFMA proposed 5" mesh and feels it is a sufficient emergency to put it on the February agenda. Opposed any increase in False Pass quota. M. Kink-emergency re mesh size. Staff has the "ultimate weapon" Emergency Order authority. Permittee must be aboard - spotting with an aircraft is illegal or should be.

Ralph A. - chagrined that AIFMA proposals weren't included, False Pass request is unrealistic.

Fish and Wildlife Protection Sgt. Youngren - stated that Fish and Wildlife Protection gave 1/2 inch to fishermen in addition to 5 lb. wt. when they measured nets in 1983.

Michael L. Nelson - mesh size data considerable (1967-1971 mesh testimony to the Board. Reduction of mesh size reduces the number of females on spawning ground-could be offset by an increase in escapement goals. (1962 it went to 5-3/8" in regs.). Net loss mortality, genetic selectivity, etc. Several studies were made at Port Moller, Kvichak, etc. 1. The smaller the gear the larger number females in catch. 2. 1 male can fertilize up to 15 females with 95% fertilization. 8 females with 1 male with 100% fertilization. A 1971 paper-summarizes the staff position on studies done to date re mesh size. Approximately 1968 prices went from per fish to per pound basis. We (Alaska Department of Fish and Game) need to re-analyze the data since 1970 especially in N/K district on peak years.

Jesse Foster (Boards) - consideration/action on this issue may require an emergency regulation to accomplish-Board needs a petition to the Board so they can discuss this on 12/28 teleconference.

Harvey Samuelson - against False Pass addition, for 48 hr. period, wants to withdraw his set net proposal in favor of sub-committee compromise. Mesh size should remain the same. More dollars needed for Fish and Wildlife Protection effort.

Bix Bonney (Boards) - Fish and Wildlife Protection has gone on record and there is no excuse for breaking the law re mesh size.

December 14, 1983 (continued)

Public Testimony: (continued)

Thomas Tilden - 48 hr. transfer-against reduction. We have a policy now re transfers. When escapement goals are reached, then waive the 48 hr. transfer. Against boundaries changes in Egegik and Ugashik. Against quota changes in False Pass area.

Victor Sifsof - against False Pass increase, and use of aircraft for spotting salmon (pointed out the % of total run is in the False Pass allocation rather than catch as is used now.) Would result in a huge increase.

Stan Small - against False Pass increase and removal of 48 hr. waiting (transfer period).

Joe Chythlook - long wait in 1983 for escapement - how about a few short periods in between in the future?

Michael L. Nelson - responded for the Staff.

Glenn Suydam - Chignik - F/V El Gusto - Herring allocation is a problem, time short for product at top value. Weather could inhibit the harvest if you were in quota management. When a purse seine has ceased fishing - no longer fishing when the ends are closed and when fish can no longer get in.

Public Testimony closed 2:00 p.m.

Open discussion - by Committee, public and Board members.

Drift net - set net problem sub-committee results were discussed in detail.

Victor Sifsof reported on sub-committee findings and answered questions for that group.

Leon Braswell - felt it should be researched further and no action taken at this time.

Joe Chythlook - felt the set net/gill net conflict needed to be aired further and resolved.

Tenders/Processors anchoring in drift areas and dangers involved-Nushagak Advisory Committee asked the Board to use their influence to help with this problem.

2:45 p.m. Nushagak Advisory Committee reconvened after a break.

2 nominations for Nushagak Advisory Committee on the floor. Joe McGill and Victor Sifsof.

Brief talk by Leon C. Braswell re status of Committee membership and procedures we must follow.

December 14, 1983 (continued)

Massillie Gumlickpuk - New Stuyahok - is an alternate for Dwayne Johnson-will vote on him as a permanent member at 12/19/83 meeting.

Luki Akelkok - Ekwok - nominated, Tom Hurley, as his alternate. Committee will vote on 12/19.

Eva Kapotak will be an alternate for Portage Creek.

Several terms are up this year-12/31 - Leon C. Braswell, Joe Clark and Jerry Liboff.

Joe Clark was renominated by a resident of Clarks Point.

Open for nominations for Leon C. Braswell's seat-? none offered immediately.

Koliganek seat open for renomination of Jerry or another-letter sent to village, but no reply yet. Jerry Liboff was nominated by Leon Braswell, pending receipt of letter.

Open discussion re membership status:

J. Liboff move, seconded by R. Moody to accept V. Sifsof and Joe McGill. Unanimous consent from public and Committee present to seat the above as alternates. Passed!

J. Liboff requested the Secretary to determine from State Boards office a clarification that the Nushagak Advisory Committee are allowed to fill vacant village seats that have been advertised and not filled. How a "village" is defined?

Don Sagmoen nominated Leon Braswell to the Nushagak Advisory Committee.

J. Liboff moved, 2nd by Richard Armstrong to approve minutes of last meeting. 10-0 in favor. Unanimous. Passed.

Proposal Discussion:

J. Liboff moved, 2nd by Joe Chythlook to reject proposal 13. I. A & B. Vote 13-0 to reject! Passed.

Justification: Concern for biological (detrimental) impact on other areas stocks if the harvest was allowed to increase.

Proposal #13 II Gear at South Unimak/Shumagin fisheries-Motion by Joe Chythlook, 2nd R. Armstrong to accept #13 II. Vote 12 in favor, 1 opposed - passed!

Justification: High catch at False Pass/Shumagin area corresponds with low catches in Western Alaska streams and may be a correlation or contributing factor to the decline of those stocks.

Proposal #13 III A, B, C, D and E. Motion by J. Chythlook, 2nd by R. Armstrong to reject 13 III sections A, B, C and E. Vote: 13 in favor. Passed to reject.

Justification: This would allow a huge increase in the harvest of Bristol Bay bound salmon. Approximately 4 times the previous. Previous method has been in effect and is workable.

December 14, 1983 (continued)

Proposal Discussion (continued)

Proposal #13 IV A and B. Motion by D. Sagmoen to reject, 2nd J. Chythlook. Vote: 12 in favor, 1 opposed. Passed.

Justification: Management plan problem and more information needed. Indication that Western Alaska chum stocks are affected and a workable plan needs to be resolved.

Motion J. Liboff, 2nd by R. Moody to table herring allocation discussion until 12/19 meeting. Vote: 13 in favor. Passed.

Proposal #15 (1) A and B. Motion J. Liboff, 2nd J. Chythlook to reject. Vote: 11 in favor, 1 against, 1 abstain. Passed.

Justification: Could cause potential management problems (impair the ability of managers).

Proposal #15. (2). Motion by R. Moody, 2nd Victor Sifsof. No action be taken. Vote: 12 in favor. Passed!

Motion by R. Heyano to accept the special sub-committee recommendation re set net/drift net issue. 2nd by J. Liboff.

Motion by J. Liboff, 2nd R. Heyano, to add (amend) part (1)(e) defining the West side Nushagak Beaches and the upper East side to indicate that status quo will continue as far as set net operation. Vote: 11 for, 2 abstain. Passed! Vote 10 in favor, 3 opposed as amended proposal re set net distances from shore in Nushagak district (Attached). Passed.

Justification: This compromise proposal was the result of much discussion by the Advisory Committee and (2) special meetings of a sub-committee on this issue. Minutes of which are attached.

4:58 p.m. Meeting adjourned.

Summary of Proposals by Special Sub-Committee on
Set Net - Drift Net Conflicts in Nushagak District
as Amended and Approved by the Nushagak Advisory
Committee at 12/14/83 Meeting

- (1) (i)(3) in the Nushagak district, no part of a set gill net, anchor, peg, stake, buoy or other device used to fasten the net at its outermost extremity may be more than:
- (a) 1,000 feet from the 18 foot high tide mark, from that point where Loran line 32440 x 45510 intersects the Combine Beach, to the cannery dock at Clarks Point;
 - (b) 500 feet from the 18 foot high tide mark or (-3) low water, whichever is less, from the Clarks Point cannery dock to an Alaska Department of Fish and Game regulatory marker at first creek;
 - (c) 700 feet from the 18 foot high tide mark, from an Alaska Department of Fish and Game regulatory marker at first creek, to an Alaska Department of Fish and Game regulatory marker at third creek;
 - (d) 1,000 feet from the 18 foot high tide mark, from an Alaska Department of Fish and Game regulatory marker at third creek, to an Alaska Department of Fish and Game regulatory marker at Etolin Point;
 - (e) In those beach areas of Nushagak district not mentioned in (i)(3)(a) (b)(c) or (d) commercial fishing with set gill nets is restricted to beach areas that, at mean low water, are connected by exposed land to the shore or to places not covered at high tide.
- (2) 5 AAC 06.342 Vessel Identification:
- (B) In the Nushagak district each set net fishing vessel must be marked with the letters SN:
- (3) 5 AAC 06.335 Minimum Distance Between Units of Gear.

(Amend last sentence to read): No part of a drift gill net may be operated within 300 feet of a set gill net except in the zone outside of the offshore end (and the inshore end) of a set gill net.

Read and approved by:

Leon C. Braswell
Leon C. Braswell, Chairman
Nushagak Advisory Committee

Date: Dec 16, 1983

(Third day of meeting)

December 15, 1983 Nushagak Advisory Committee. 12 members present.

Sport Fish Seasons and Bag Limits:

Jeffrey R. Skrade, Secretary-read a letter from Lou Gwartney, Sport Fish Division in King Salmon, to the committee.

Joe Chythlook motion, 2nd Robert Heyano, to reject proposal #16 in its entirety. Vote: 12 in favor. Passed - proposal was rejected!

Justification: Committee didn't feel it was justified at this time and would make lots of local residents illegal.

Proposal #18 - Joe Clark moved, 2nd Joe McGill to pass as written. Vote: 10 in favor, 2 abstain. Passed!

Justification: Adds additional gear and could result in potential waste of the resource. If present situation was allowed to continue.

Proposal #19 - When a purse seine has ceased fishing: motion by R. Heyano to adopt proposal 18 (1). 2nd by J. Chythlook and suggested the Nushagak Advisory Committee to amend 19 (1) to change from Statewide to Togiak area. Vote: 12 in favor 1 abstain. Passed as amended.

Henry Pavian - suggested a user fee to collect trash, etc., on fishing grounds.

Joe Campbell, Fish and Wildlife Protection - In conversations with Department of Environmental Conservation and his agency, a land fill has been suggested near the Togiak herring fishery. Area? Funding?

Glen Suydam - Suggested the State lease a scow to haul garbage and oil away.

Proposal #20 - Salmon Statewide (housekeeping) motion Joe McGill to adopt, 2nd R. Heyano. Vote: 13 in favor. Passed!

Justification: A housekeeping proposal.

Proposal #21 - Sport Fishing Statewide (housekeeping) Motion by R. Heyano to adopt 2nd Joe McGill. Vote: Unanimous in favor. Passed!

Motion by J. Liboff to have a special Advisory Committee meeting on herring allocations issue in mid-January, 2nd R. Heyano. Vote: 13 to 0 in favor. Passed!

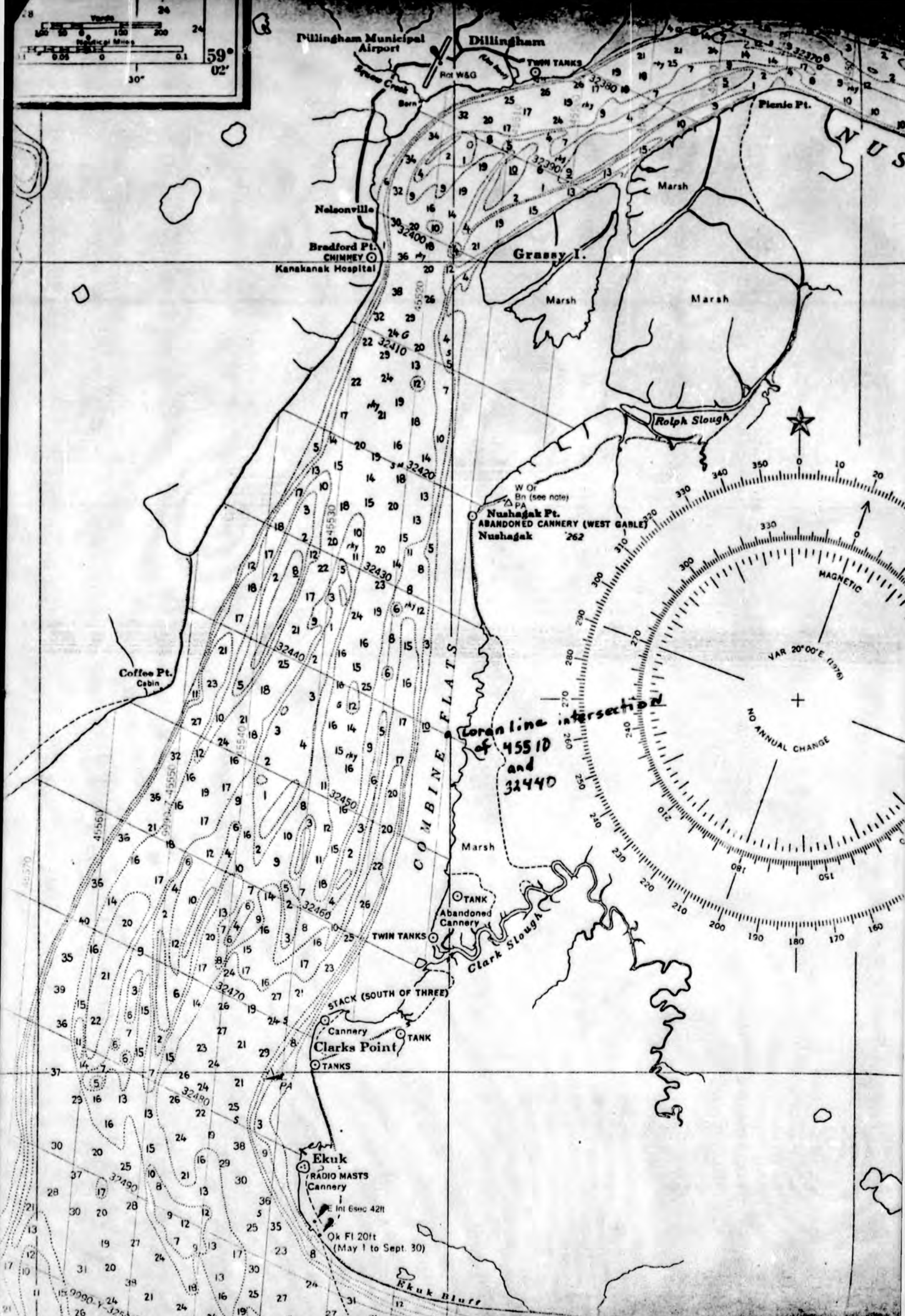
Joe Clark suggested a resolution from Nushagak Advisory Committee re trash problems in the fisheries, especially Togiak herring. Motion Joe Clark, 2nd R. Heyano, to send a resolution. Vote: 13 - 0 in favor. Passed! (Resolution attached).

Adjourned 10:50 a.m.

Minutes read and approved:

Leon C. Braswell
Leon C. Braswell, Chairman
Nushagak Advisory Committee

Date: Dec 16, 1983





RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

SCOMM

#36:16

IDENTIFICATION	BILL NAME <i>A Act establishing a fisheries business tax credit</i>		BILL NUMBER <i>HB 518</i>
	SPONSOR(S)		DATE INTRODUCED <i>1/16/84</i>
			RELATED BILLS PENDING
			REFERRALS <i>Resources</i> <i>Finance</i>
INITIAL RESEARCH	INITIAL SUMMARY COMPLETED	LEGAL DIVISION SUMMARY	
	SPONSOR CONTACTED FOR BACKUP MATERIALS	DEPT OF LAW SUMMARY	
		FISCAL NOTE	
	AGENCY RESPONSE	OTHER INTERESTED LEGISLATORS NOTIFIED	
BACKGROUND RESEARCH	SIMILAR BILLS INTRODUCED IN PREVIOUS LEGISLATURES	OTHER STATE OR FEDERAL PRECEDENTS, REGULATIONS, ETC	
	RESPONSES FROM INTERESTED PERSONS AND/OR GROUPS		
HEARING PREPARATION	CHAIRMAN BRIEFED	DATE & PLACE SET	
	STAFF MEMO TO COMMITTEE	TELECONFERENCE	
	BACKGROUND MATERIAL DISTRIBUTED	PSA/PRESS RELEASE	
	LIST OF WITNESSES	SUGGESTED AMENDMENTS/CS DRAFTED	

COMMITTEE REPORT

HOUSE

RESOURCES

(7)

FURTHER: FINANCE

1/16/84

Date: March 22, 1984

The Committee on HOUSE SPECIAL COMMITTEE
ON FISHERIES has had HB 518

"An Act establishing a fisheries business tax credit."

under consideration and recommends:

☐ do pass ☐ do not pass

☐ do pass with attached amendments(s)

☒ replace with CS for HB 518 ☒ same title

and recommends Do Pass ☐ new title

☐ AND attaches a "Letter of Intent" ☐ New Fiscal Note

☐ reports it back without recommendation ☐ Zero Fiscal Note Attached

☐ referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Adelbert H. Harrison
Jack McBride
Jim Miller
Walter D. Smith
Carl V. Smith

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Adelbert H. Harrison
CHAIRMAN

Original sponsors: Zharoff and
Grussendorf

1 IN THE HOUSE

BY THE HOUSE SPECIAL
COMMITTEE ON FISHERIES

2 CS FOR HOUSE BILL NO. 518 (Fisheries)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a fisheries business tax cred-
7 it."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 43.75 is amended by adding new sections to read:

10 Sec. 43.75.018. FISHERIES BUSINESS TAX CREDIT. (a) A cannery
11 or fisheries business is entitled to a credit of not more than 50
12 percent of the cannery's or business's tax liability under AS 43.75.-
13 015 for capital expenditures related to a shore-based cannery or a
14 shore-based fisheries business facility in the state made during the
15 tax year if an application for the credit is approved by the depart-
16 ment.

17 (b) A cannery or fisheries business may claim a credit under (a)
18 of this section for a maximum period of five consecutive years. An
19 applicant for the credit may elect to begin the five-year period with
20 any tax year from 1984 through 1988.

21 (c) The portion of a capital expenditure that exceeds the amount
22 eligible for a credit under (a) of this section during a single tax
23 year may not be carried back to a prior taxable year, but may be
24 claimed as a credit under (a) of this section for a subsequent tax
25 year within the five-year period elected under (b) of this section.
26 In no event may tax credits be approved for more than 100 percent of a
27 capital expenditure.

28 (d) The department may not approve a tax credit under (a) of
29 this section if the property for which the capital expenditure was

1 made was the subject of a previous capital expenditure by another
2 taxpayer for whom a corresponding tax credit under (a) of this section
3 has been approved.

4 (e) The department shall adopt regulations providing for the
5 application for a credit under (a) of this section and for the review
6 and approval or disapproval of an application.

7 (f) The department shall approve or disapprove an application
8 for a credit under this section not later than 60 days after receiving
9 the application.

10 Sec. 43.75.019. TAX CREDIT REPORT. Not later than the 60th
11 legislative day of each regular legislative session the Department of
12 Revenue, in conjunction with the Department of Commerce and Economic
13 Development, shall submit to the legislature a report on the fisheries
14 business tax credit program under AS 43.75.018. The report shall
15 describe the expenditures for which a credit was claimed during the
16 previous tax year and, if possible, the increase in employment and
17 processing capacity by the canneries and fisheries businesses for whom
18 the credit was approved. Reporting under this section shall begin
19 with the second regular session of the Fourteenth Alaska Legislature.

20 * Sec. 2. AS 43.75.130 is amended by adding a new subsection to read:

21 (b) For purposes of this section, tax revenue collected under
22 AS 43.75.015 from a person entitled to a credit under AS 43.75.018
23 shall be calculated as if the person's tax had been collected without
24 applying the credit.

25 * Sec. 3. AS 43.75.018, 43.75.019 and 43.75.130(b) are repealed
26 June 30, 1993.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HR 518
 Title: Fisheries business
tax credit
 Sponsor: Zharoff
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: ADEC
 Program Category Affected: None
 BRU, Program or Subprogram(s) Affected: _____
None

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Richard Peifer Phone: 465-2600
 Division: Seafood & Animal Industry Date: 1/24/84
 Approved by Commissioner: Richard A. Peifer Date: 1/24/84
 Agency: Department of Environmental Conservation

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

12/1/83

HOUSE BILL 518

An act establishing a fisheries business tax credit

POSITION PAPER

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The Department of Environmental Conservation supports the concept of this bill. Improvement of quality control and facilities, and development of new commercial fish species represent significant costs to the industry. These costs constitute a major deterrent to much-needed improvements in industry processing methods, facilities, and product quality.

The incentive offered by this legislation represents an investment in the economic future of the State of Alaska.

Dated: January 24, 1984



Richard A. Nevé
Commissioner
Department of Environmental
Conservation

MASTER

CITY OF KODIAK
RESOLUTION NUMBER 09-84

FEB 14 1984

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING USE OF THE STATE PORTION OF THE RAW FISH TAX TO PROVIDE TAX CREDITS TO SHORE-BASED FISH PROCESSORS

WHEREAS, investment capital for onshore processing facilities is recognized as a top priority in Kodiak's fishing community; and

WHEREAS, because the Kodiak King Crab season did not open in 1983, and may not open in the near future, diversification is needed; and

WHEREAS, the potential growth of Kodiak's bottomfish industry makes it especially important that this segment of the processing industry be promoted,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that the Governor and the Legislature be and are hereby urged to provide raw fish tax credits against the State's fifty percent for upgrading and modernization of shore-based fish processing facilities.

BE IT FURTHER RESOLVED that copies of this resolution be forwarded to:

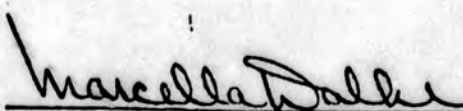
The Honorable Bill Sheffield, Governor of Alaska
The Honorable Stephen McAlpine, Lieutenant Governor of Alaska
All Alaska State Senators
All Alaska State Representatives
The Kodiak Island Borough
The Kodiak Area Chamber of Commerce

PASSED AND APPROVED this 9TH day of FEBRUARY, 1984.

CITY OF KODIAK


MAYOR

ATTEST:


CITY CLERK

MASTER

SECTIONAL ANALYSIS OF CSHB518(Fisheries)

Section one: This section sets up the fisheries business tax credit program. Under the program a fish processor is entitled to receive a credit of not more than 50% of its raw fish tax liability for capital investments in shore-based facilities. The program has a consecutive five year eligibility period for each fish processor, which the processor can initiate in any year through 1988. Fish processors will be allowed to carry eligible investments forward during their five year period, but will be unable to begin a tax credit for an item which has already been credited under this program.

This section also provides for an annual report to the legislature on the benefits and utilization of this tax credit program (to begin in 1986).

Section two: This section provides that the calculation of raw fish tax refunds to local governments will not change and will continue as if the raw fish tax credit did not exist.

Section three: This section repeals the raw fish tax credit program in 1993; after all eligibility under the program has expired.



Alaska State Legislature

HOUSE OF REPRESENTATIVES COMMITTEE ON RESOURCES

JOHN RINGSTAD, CO-CHAIRMAN
RICHARD SHULTZ, CO-CHAIRMAN
POUCH V
JUNEAU, ALASKA 99811
(907) 465-3715

adopted 4/2/84

TO: House Resources Members

From: Committee Staff

DATE: [REDACTED] 4

RE: [REDACTED]

Proposed

Section one: This new section deletes the word "cannery" and replaces it with "fisheries business". This action cleans up the statutes because in the definition section of Chapter 75, AS 43.75.140(3), "cannery" is defined as a "fisheries business". AS 43.75.140(3) states:

(3) "fisheries business" means a person who engages in processing fisheries resources for sale by freezing, cooking, salting, or other method and includes but is not limited to canneries, cold storages, freezer ships, and processing plants.

Also, throughout the original committee substitute bill, the word "cannery" has been deleted because the words "fisheries business" already defines "cannery" in the definition section of this chapter.

Section two: This section sets up the fisheries business tax credit program. Under the program a fish processor is entitled to receive a credit of not more than 50% of its raw liability for capital investments in shore-based facilities. The program has a consecutive five year eligibility period for each fish processor, which the processor can initiate in any year through 1988. Fish processors will be allowed to carry eligible investments forward during their five year period, but will be unable to begin a tax credit for an item which has already been credited under this program.

This section also provides for an annual report to the legislature on the benefits and utilization of this tax credit program (to begin in 1986).

Section three: This section provides that the calculation of raw fish tax refunds to local governments will not change and will continue as if the raw fish tax credit did not exist.

Section four: This section puts the definition of "capital expenditure" in the statutes under the definition section of Chapter 75. This is language from the Department of Revenue.

Section five: This section repeals the raw fish tax program in 1993; after all eligibility under the program has expired.

*only
difference
definition is*

Dept. of Rev Supports the Bill

Philip Panula

UFA Supports S18

Greg Baker
Supports

- Could create another billion dollar industry
- 35 million could be available to go into Fisheries development

Original sponsors: Zharoff and
Grussendorf

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 518 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the fisheries business tax."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 43.75.015(a) is amended to read:

9 (a) A person engaged in a fisheries business is liable for and
10 shall pay the tax levied by this section on the value of each of the
11 following fisheries resources processed during the year at the rate
12 set out after each:

13 (1) salmon canned at a shore-based fisheries business
14 [CANNERY] - four and one-half percent;

15 (2) salmon processed by a shore-based fisheries business,
16 except salmon for which the tax is due under (1) of this subsection,
17 and all other fisheries resources processed by a shore-based fisheries
18 business - three percent;

19 (3) fisheries resources processed by a floating fisheries
20 business - five percent.

21 * Sec. 2. AS 43.75 is amended by adding new section to read:

22 Sec. 43.75.018. FISHERIES BUSINESS TAX CREDIT. (a) A fisheries
23 business is entitled to a credit of not more than 50 percent of the
24 business tax liability under AS 43.75.015 for capital expenditures
25 related to a shore-based fisheries business facility in the state made
26 during the tax year if an application for the credit is approved by
27 the department.

28 (b) A fisheries business may claim a credit under (a) of this
29 section for a maximum period of five consecutive years. An applicant

1 for the credit may elect to begin the five-year period with any tax
2 year from 1984 through 1988.

3 (c) The portion of a capital expenditure that exceeds the amount
4 eligible for a credit under (a) of this section during a single tax
5 year may not be carried back to a prior taxable year, but may be
6 claimed as a credit under (a) of this section for a subsequent tax
7 year within the five-year period elected under (b) of this section.
8 In no event may tax credits be approved for more than 100 percent of a
9 capital expenditure.

10 (d) The department may not approve a tax credit under (a) of
11 this section if the property for which the capital expenditure was
12 made was the subject of a previous capital expenditure by another
13 taxpayer for whom a corresponding tax credit under (a) of this section
14 has been approved.

15 (e) The department shall adopt regulations providing for the
16 application for a credit under (a) of this section and for the review
17 and approval or disapproval of an application.

18 (f) The department shall approve or disapprove an application
19 for a credit under this section not later than 60 days after receiving
20 the application.

21 Sec. 43.75.019. TAX CREDIT REPORT. Not later than the 60th
22 legislative day of each regular legislative session the Department of
23 Revenue, in conjunction with the Department of Commerce and Economic
24 Development, shall submit to the legislature a report on the fisheries
25 business tax credit program under AS 43.75.018. The report shall
26 describe the expenditures for which a credit was claimed during the
27 previous tax year and, if possible, the increase in employment and
28 processing capacity by the fisheries businesses for whom the credit
29 was approved. Reporting under this section shall begin with the

1 second regular session of the Fourteenth Alaska Legislature.

2 * Sec. 3. AS 43.75.130 is amended by adding a new subsection to read:

3 (b) For purposes of this section, tax revenue collected under
4 AS 43.75.015 from a person entitled to a credit under AS 43.75.018
5 shall be calculated as if the person's tax had been collected without
6 applying the credit.

7 * Sec. 4. AS 43.75.140 is amended by adding a new paragraph to read:

8 (9) "capital expenditures" includes the price paid for
9 equipment and the costs of improvements made to depreciable property,
10 but does not include expenditures that are deducted entirely for
11 federal income tax purposes in the year in which they accrued or were
12 paid.

13 * Sec. 5. AS 43.75.018, 43.75.019, 43.75.130(b), and 43.75.140(9) are
14 repealed June 30, 1993.
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HOUSE SPECIAL COMMITTEE
ON FISHERIES
March 20, 1984
4:00 p.m.

Members Present: Rep. Herrmann, Chairman
Rep. Fuller, Vice-Chair
Rep. McBride
Rep. Zharoff
Rep. Bussell

Members Absent: Rep. Goll
Rep. Grussendorf

COMMITTEE CALENDAR

HB 518 "An Act establishing a fisheries business
tax credit."

WITNESS REGISTER

Phillip Daniel
United Fisherman's Association
319 Seward Street
Suite #10
Box 1771
Juneau, Alaska 99801
586-6121
Position Statement: Available to answer questions.

Steve Kettel
Department of Revenue
Pouch S
Juneau, Alaska 99811
465-2343
Position Statement: Available to answer questions.

Norm Staton
Department of Revenue
Pouch S
Juneau, Alaska 99811
Position Statement: Available to answer questions.

PREVIOUS ACTION

HB 518 1/16/84 - First Reading.

Committee Referrals - Fisheries, Resources,
Finance and Rules Committees.

See Fisheries minutes of February 2, 1984.

ACTION NARRATIVE

TAPE#64
Recording
Number 0001

Chairman Herrmann called the meeting to order at 4:00 p.m., recognized the members present and announced the agenda. Chairman Herrmann asked for a motion to bring Committee Substitute for HB 518 (Fisheries) before the committee for consideration.

Rep. Fuller moved and asked unanimous consent that CSHB 518 (Fisheries) be considered at this time. No objection, so ordered.

Chairman Herrmann called the first witness to testify on the bill.

Number 0015

Phillip Daniel, representing the United Fishermen of Alaska said they support HB 518. He discussed the present economic plight of the fishing industry and the great need for this type of legislation.

Number 0040

Chairman Herrmann thanked Mr. Daniel for his testimony and called Rick Lauber to testify.

Number 0044

Rick Lauber said he represented the Pacific Seafood Processors Association, and that they too support HB 518. He discussed how the working group had been working on the bill; fine tuning it to make it acceptable to the legislature.

Mr. Lauber said he would rather not see any limitations, but felt that the 50% limitation was practical and acceptable. He stated that HB 518 was necessary to get the fishery off the ground.

Number 0094

Chairman Herrmann thanked Rick Lauber and asked Norm Staton to come forward and testify.

Number 0101

Norm Staton from the Department of Revenue said they were happy to see the language change in the Committee Substitute.

Number 0121

Mr. Staton pointed out a minor reservation the Department had.

Number 0141	Norm Staton said it would be difficult to include everything in the report which was called for.
Number 0159	Rep. McBride asked if it wouldn't be hard for Mr. Staton to ask the processors the question and present their answers.
Number 0166	Mr. Staton replied that they could do that and he was only expressing some caution.
Number 0173	Rep. McBride wanted to know if an offshore processor could take the tax credit.
Number 0164	Norm Station said it was his understanding that he could qualify if he used it on shore.
Number 0192	Rep. Fuller inquired if the fiscal note was a one-time shot.
Number 0199	Steve Kettel from the Audit Department answered yes.
Number 0200	Chairman Herrmann announced that Rep. Bussell was now in attendance.
Number 0208	Norm Staton asked if he could raise one other issue.
Number 0230	Steve Kettel said the issue was in connection with the letter of intent. He felt that the eligible investments were too broad.
Number 0249	Mr. Kettel continues. He asked if there could be further clarification on this point.
Number 0256	Chairman Herrmann attempted to solve the problem by pointing out a certain portion of the bill. Keith didn't think it cleared up the problem.
Number 0268	Rep. Fuller wanted to know how much emphasis was placed on the letter of intent.
Number 0273	Mr. Staton said the Department uses the letter of intent.
Number 0278	Discussion continues between Rep. Bussell and Mr. Kettel.
Number 0286	Rep. McBride said he saw design and

engineering as part of knowing what your expenditures are going to be, and maybe could solve the labor part by adding one line.

Number 0298

Chairman Herrmann said she would direct staff to work on the letter of intent.

Rep. Fuller moved and asked unanimous consent to pass CSHB 518 (Fisheries) out of committee and asked for individual recommendations. No objection, the motion carried.

Number 0306

Rep. Zharoff said he did not see any problems with the letter of intent, and felt the Department clearly understood what the intent was.

Chairman Herrmann informed Rep. Zharoff that the committee would be considering the letter of intent for HB 518 on Thursday.

Number 0330

Rep. Zharoff said he wanted to alert the committee that he intended to approach the Co-Chairman of the Resources Committee for introduction of a resolution to the International Pacific Halibut Commission.

This resolution will request the International Pacific Halibut Commission to utilize our limited entry office for the issuance of new registration forms that they are requiring our Alaskan small boat fisherman to have, said Rep. Zharoff.

Number 0358

Discussion continues between committee members.

Number 0371

Chairman Herrmann adjourned the meeting.

HOUSE SPECIAL COMMITTEE
ON FISHERIES
March 22, 1984
4:02 p.m.

Members Present: Rep. Herrmann, Chairman
Rep. Fuller, Vice-Chair
Rep. Bussell
Rep. Zharoff

Members Absent: Rep. McBride
Rep. Grussendorf
Rep. Goll

COMMITTEE CALENDAR

LETTER OF INTENT FOR CSHB 518 (Fisheries)

"An Act establishing a fisheries business
tax credit".

WITNESS REGISTER

NONE

PREVIOUS ACTION

CSHB 518
(Fisheries)

1/16/84 - First Reading.

Committee Referrals - Fisheries, Resources,
Finance and Rules Committees.

See minutes of February 2 and March 20,
1984.

ACTION NARRATIVE

TAPE#65
Recording
Number 0001

Chairman Herrmann called the meeting to
order at 4:02 p.m., recognized the members
and announced the agenda before the
committee. She asked for discussion on the
following letter of intent for CSHB 518
(Fisheries):

LETTER OF INTENT - CSHB 518 (Fisheries):

It is the intent of the Legislature of the

State of Alaska that the Fisheries Business Tax Credit program is enacted primarily for increasing capital investments in equipment relating to:

- (1) processing developing commercial fish species;
- (2) meeting quality control guidelines; and
- (3) upgrading and modernization of existing processing facilities.

The program is designed to make capital available for investment in equipment for shorebased facilities within Alaska and not for purchase of land or processing facilities.

The Legislature expects eligible capital expenditures to be the price paid to acquire equipment, including costs of improvements and betterments made to property, but not expenditures which are taken as a deduction in computing federal taxable income for the taxable year.

Number 0010

Rep. Bussell discussed a separate document with Chairman Herrmann. Rep. Bussell had a question on real property.

Number 0045

Rep. Fuller suggested amending that and if they have to amend it, fine.

Rep. Zharoff wanted to know what real property was. Rep. Bussell said real property was like a building.

Number 0059

Mel Monsen said if the amendment is adopted by the Resources Committee, then the language is needed. Mr. Monsen said when he talked to the Department, they said the letter of intent as it was originally drafted is fine if the definition of capital expenditures could be included in the statutes. If not, then the letter of intent should include the last paragraph.

Chairman Herrmann and Rep. Bussell discussed what language should be added to the bill.

Number 0077

Rep. Fuller said he thought the committee should pass out the letter of intent and let the Resources Committee take care of it.

Rep. Fuller moved and asked unanimous consent that the Letter of Intent accompany CSHB 518 (Fisheries). No objection, the motion carried.

Number 0083

No further business to come before the committee, Chairman Herrmann adjourned the meeting.

HOUSE SPECIAL COMMITTEE
ON FISHERIES

February 2, 1984

4:05 p.m.

Members Present: Rep. Herrmann, Chairman
Rep. McBride
Rep. Zharoff
Rep. Goll
Rep. Bussell

Members Absent: Rep. Fuller, Vice-Chair
Rep. Gurssendorf

COMMITTEE CALENDAR

HB 518 "An Act establishing a fisheries business
tax credit."

WITNESS REGISTER

Greg Baker
Pouch D
Juneau, Alaska 99811
Position Statement: Supports HB 518.

Rick Lauber
321 Highland
Juneau, Alaska 99801
Position Statement: Supports HB 518.

Norm Staton
Pouch S
Department of Revenue
Juneau, Alaska 99811
Position Statement: Said HB 514 may be hard to achieve.

David Woodruff
Box 647
Kodiak, Alaska 99615
Position Statement: Supports HB 518.

PREVIOUS ACTION

HB 518 1/16/84 - First Reading.

Committee Referrals - Fisheries, Resources,
Finance and Rules Committees.

No previous action in Fisheries.

ACTION NARRATIVE

TAPE#51
Recording
Number 0002

Chairman Herrmann called the meeting to order. She asked Rep. Zharoff to explain the bill.

Number 0018

Rep. Zharoff indicated that it would allow a tax credit to those attempting to get into bottomfish. It would encourage upgrading and modernization of processing facilities.

Number 0073

Discussion between Chairman Herrmann and Rep. Zharoff.

Number 0107

Chairman Herrmann called Greg Baker to testify.

Number 0115

Greg Baker states his name and says he is supportive of seafood tax credit program.

Number 0170

Presented some questions that would result from this bill.

Number 0191

Mr. Baker said this would be difficult in writing regulations.

Number 0220

Asked if an across the board reduction in raw fish tax would do the same thing.

Number 0230

Discussion between Chairman Herrmann, Greg Baker and Rep. McBride.

Number 0267

Rep. Bussell wanted to know why different percentages were charged on shore and off shore.

Number 0275

Greg Baker answered that it was to encourage on shore processing.

Number 0289

Greg Baker said the on shore processors constituted 30% of the processors and 70% were off shore. The off shore percentage was increasing every year.

Number 0326

Rep. Zharoff said the language of the bill is broad. His intent was that this be a one time tax credit.

Number 0341

There was discussion between Rep. McBride and Greg Baker.

Number 0383

Greg Baker identified greatest potential

areas for bottomfish development.

Number 0427 Rep. McBride offers options for use of money gained from bill.

Number 0435 Greg Baker stated that there were other needs, he further talked about those needs.

Number 0453 Rep. McBride wanted to know if there was enough money for those needs.

Number 0458 Greg Baker said he thought there was enough.

Number 0463 Chairman Herrmann said, we have enough research on bottomfishing. What we need now is action.

Number 0470 Rep. McBride said he was thinking about products that we might develop.

Number 0484 Rep. Zharoff; my concern is to allow processors to look into other areas for sources of revenue.

Number 0490 Chairman Herrmann thanked and excused Greg Baker. She then called Rick Lauber to testify.

Number 0495 Rick Lauber; talked about how the Governor proposed to help the fishing industry.

Number 0527 Mr. Labuer went on to say that this tax incentive was a genuine way to help the industry and that he is in favor of it. He said he felt it was a necessity for developing the industry.

Number 0577 Rick Lauber said it is important to encourage on shore processing. The industry needs relief.

Number 0604 Chairman Herrmann discussed Unalaska plant.

Rick Lauber said Unisea is out of crab business.

Number 0620 Rep. Zharoff reiterated that bill is open ended.

Number 0624 Mr. Lauber said the best thing to do is lure them into a sense of security.

Number 0640 Rep. Zharoff asked question, do you think it should stay open ended?

Number 0642	Rick Lauber says yes, then elaborates.
Number 0651	Discussion between Rep. McBride and Rick Lauber.
Tape 52 Recording Number 0001	Rick Lauber says it isn't just the processor that bears the tax increase.
Number 0050	Rep. McBride; so it is coming out of profits of fishermen and processors.
Number 0072	Mr. Lauber said, I guess it probably would be.
Number 0689	Chairman Herrmann thanked Mr. Lauber and excused him. She than called Norm Staton to testify.
Number 0091	Norm Staton gave his background and said it would be hard to get support for a tax credit out of the Department of Revenue.
Number 0131	Mr. Staton said he didn't know the Governor's Office position yet, but thought it would probably be positive.
Number 0161	Rep. McBride wanted to know if Mr. Staton had any idea what it cost to collect the tax.
Number 0163	Norm Staton didn't think it was much. There was further discussion on this between Mr. Staton and Rep. McBride.
Number 0182	Norm Staton said there was a need to determine what tax you wanted to impact.
Number 0202	Rep. Zharoff wanted to know if raw fish tax was collected after fish were caught.
Number 0206	Norm Staton said yes it was collected after.
Number 0213	Rep. McBride wanted to know if it was 3% of tax you paid fisherman.
	There was discussion on this.
Number 0220	Chairman Herrmann thanked Mr. Staton and excused him. She than called on David Woodruff to testify.
Number 0229	David Woodruff said he supports Rep.

Zharoff's bill.

Number 0239 David Woodruff said he had originally requested such a bill be introduced for bottomfish only.

Number 0250 We needed to develop bottomfish, but needed a break to get into bottomfish, said Mr. Woodruff.

Number 0284 Chairman Herrmann stated that the committee would be working on developing bottomfish. She said we will be going to the public with recommendations and asking for comment.

Number 0293 Rep. Zharoff said the bill does get to the grassroots of the thing and that is helping the industry.

Number 0301 Rep. McBride said he mis-understood the bill. The mis-understanding was cleared up.

Number 0314 Rep. Bussell said he didn't understand why only give a 50% break, why not give it all back.

Number 0328 Rep. Zharoff said he would like nothing more than to give it all back, but said that couldn't work because local governments get a portion of tax. That portion is very crucial to them.

Number 0339 Mr. Woodruff; we were afraid to ask for it all because the municipality needed some to.

Number 0370 Chairman Herrmann thanked Mr. Woodruff for testifying.

Number 0372 Rep. Bussell said that this was a simple resolution.

Number 0377 Chairman Herrmann said we will be working on the bill.

Number 0380 Rep. Bussell wanted to know how much goes back to the city.

Number 0388 Chairman Herrmann asked Rep. Zharoff to get back-up material to committee members.

Number 0450 Rep. Bussell made comments on another bill that was pertinent to the Fisheries Committee. He talked about the problem of

the bill

Number 0462

No further business to come before the committee, Chairman Herrmann adjourned the meeting at 5:30 p.m.